

# Chapter Six: Budget Subschedules

Chapter six provides information regarding the completion of budget subschedules referred to as “posting” subschedules. These subschedules post budget data directly to the Budget Request Summary once marked Complete on the Budget Request Checklist, thereby eliminating the need to reenter expenditure or funding amounts on the budget request for these items. Subschedules included in this chapter are:

- Operating Expenses
- Capital Projects
- Extraordinary Repairs
- Other Capital Payments
- Equipment Over \$5,000
- IT Equipment and Software Over \$5,000
- Grants Summary

The budget request is prepared at the budget account code level. [The Revenue and Expenditure Accounts Listing](#) provides the account codes that may be used in preparing the budget request. The listing also presents the detail account codes used in PeopleSoft. The detail accounts provide guidance in determining where to budget anticipated expenditures.

## Operating Expenses

The Operating subschedule is used to enter budget changes for all operating account codes. Operating expenses may include equipment and repair items if those items are under \$5,000. Corresponding freight and installation should be budgeted under the same line item the equipment item is budgeted. Because of the equipment’s portability, the price of each piece of a wall or desk station unit, such as Herman Miller units, should be considered individually when determining which line item to use.

All computer software expenditures of \$5,000 or less should be budgeted under the Operating Expense line item with the account code 5310OP Supplies – IT Software using the Operating Expenses subschedule.

All computer software expenditures of greater than \$5,000 should be budgeted under the capital assets line with account code 693000 Software-Licenses > \$5,000 using the IT Equipment and Software subschedule.

As noted in OMB policy number 211, the Statewide Conference Fund #212 is to be used only when the expenses of hosting a conference are **NOT** included in the agency appropriation. The statewide conference fund is **NOT** to be used for conferences that occur on a regular, ongoing basis. For such conferences, agencies are required to budget for them in the agency budget request.

## Operating Expenses Screen

Operating Selection

Operating Info

Version 2009A0200709 Number 1 Priority 1

Description operating expenses

Instructions:

Enter 1 in the Number and Priority fields. Enter Operating Expenses in the Description field.

Complete this form only once. Use the Funding/Exp. button on this screen to enter budget changes for all operating account codes in all reporting levels.

Update Insert Delete Undo Notepad Funding/Exp. Exit

### Navigation

Log On => Preparation => Budget Request Checklist => Operating Expenses

### Purpose

The Operating Expenses screen is used to access the funding and expenditure screens for entering operating expense changes.

### Using the Screen

Unlike other “posting” subschedules where the Info screen is used multiple times and the entries are used to generate a list of requested items (e.g. a listing of various capital projects or equipment items). **In the Operating subschedule the Operating Info screen is used only once.** No matter how many operating changes are entered, only one entry on the Operating Info screen is required. Enter “1” in the Number and Priority fields. Enter “operating expenses” in the description field.

**Funding and Expenditures**

Click the Funding/Exp. button to enter the requested changes for each account code. Select the appropriate reporting level, and then select the Change Package button.

Use the Change Package screen to enter:

- Cost to Continue changes authorized by OMB. This is unusual for operating expenses, but may be allowed in certain unique circumstances. Contact the assigned budget analyst with any questions. Enter allowed cost to continue entries in column 1 using change types AE or AG.
- Base budget changes from the current biennium in column 2 using change types AA or AB.
- Optional budget changes in column 3 using change types AC or AD.

Use the Change Package Description button to create as many change packages as are necessary to adequately identify the various changes.

Once the change packages are entered, click Insert, select the appropriate change package description, the appropriate account code, and enter the expenditure amounts. Enter related funding source amounts ensuring that funding and expenditures are in balance for each change package.

## Capital Projects

The capital projects subschedule is used to enter capital construction or improvement projects. Capital projects include spending for new construction, additions, restorations and demolitions of buildings and infrastructure. Care should be taken when considering whether an expenditure is a capital project or an extraordinary repair. The definition of an extraordinary repair can be found on page 7 of this chapter.

Capital projects are requested and funded on a project-by-project basis. The capital budget request becomes a long-range planning document reflecting the State's capital needs. A long-range capital budget assists the executive and legislative branches of government in formalizing capital funding objectives, setting spending priorities, and efficiently allocating limited financial resources. By completing the capital budget, agencies are planning for future needs and communicating those needs to OMB and the Legislature.

Criteria for prioritizing capital projects include items such as court-ordered or statutory (external) mandates; health, safety and environmental concerns; state policy direction; funding availability; and program needs. All capital projects for which funding is requested must meet ADA requirements.

## Capital Projects Screen

**Capital Projects Selection**

Capital Projects Selection **Capital Projects Info**

Version 2009A0200709 Number 1 Priority 1

Description building

Start date 7/1/2009 End date 6/30/2011

Is this a multiennium project? n (Yes/No)

If yes, indicate number of bienniums and total estimated project costs and provide narrative explanation.

No. of bienniums Total estimated project costs

Operating and other costs related to this project:

	2009-11 Biennium	2011-13 Biennium	2013-15 Biennium
Salaries and Wages	0	0	0
Operating Expenses	0	0	0
Equipment > \$5,000	0	0	0
IT Equipment > \$5,000	0	0	0
Special Lines	0	0	0
Total	0	0	0
General Funds	0	0	0
Federal Funds	0	0	0
Other Funds	0	0	0
FTE	0	0	0

Are there ongoing savings and efficiencies anticipated as a result of this project? (Yes/No)

Does this project:

Address life safety code requirements? (Yes/No)

Address federal laws or requirements? (Yes/No)

Address environmental/health concerns? (Yes/No)

Address state building/fire code requirements? (Yes/No)

Address critical maintenance needs, which if neglected could result in damage to the structural integrity of the building? (Yes/No)

Continue a project partially funded by the legislature in a previous biennium? (Yes/No)

Comply with the agency's facility master plan? (Yes/No)

Is this a state facility energy improvement project (NDCC Section 54-44.5-08)? (Yes/No)

If yes, what are the estimated biennial savings

If yes, has the project been submitted to the Div. of Community Services? (Yes/No)

Update Insert Delete Undo Notepad Narrative Funding/Exp. Exit

## Navigation

Log On => Preparation => Budget Request Checklist => Capital Projects

**Purpose**

The Capital Projects screen summarizes and prioritizes capital projects. Costs related to capital projects, such as salaries and operating expenses are entered directly on the Capital Projects screen for informational purposes.

The anticipated direct costs for the project for the next three bienniums are entered on the Capital Project Summary Report screen.

**Using the Screen**

Enter the sequential number for the request. Next, enumerate the priority for this project, as ranked among all capital projects included in the budget request. To rank the capital project in relation to other non-capital budget needs, use the priority field on the Budget Change Description.

**Tip**

*The priority field is an important consideration for OMB when analyzing a capital project request. Make sure the appropriate number has been entered in this field.*

Enter a short description or title. Additional narrative, detailed explanations and cost benefit analysis must be entered using the Narrative button at the bottom of the screen.

Enter the anticipated starting and ending dates for the project. If the ending date extends beyond the close of the upcoming biennium, the project is considered a multi-biennium project. At this point, the total number of bienniums over which the project will be completed and the total estimated cost of the project must be entered.

If approval of the project will result in the need to fund additional costs related to the project, such as salaries or operating expenses, complete the schedule in the middle of the screen under the heading “Operating and other costs related to this project.” Include any additional FTE that will be requested to operate or maintain the facility.

Conversely, indicate in the next section if there are any anticipated operational savings or efficiencies to be gained through the completion of this project. If so, quantify and explain these savings within the Narrative screen by clicking on the Narrative button.

Answer Yes or No to each of the questions in the next section of the screen under the heading “Does this project:” Where necessary, offer additional explanation using the Narrative button.

The final section of the screen relates to the State Facility Energy Improvement Program. Answer the questions in this section, and then enter narrative using the Narrative button or budget data using the Funding/Exp. button to complete data entry for this project.

If the agency had a capital projects appropriation in the current biennium, a project with the description “Remove Current Biennium Capital Assets” must be entered. Use the Funding/Exp. button, as explained below to enter a negative amount equal to the current biennium appropriation.

See Chapter 8 for a detailed explanation of the Capital Projects narrative section.

### **Funding and Expenditures**

Click the Funding/Exp. button to enter the requested amounts for each project. Select the appropriate reporting level, and then select the Change Package button.

Use the Change Package button to enter:

- Cost to Continue changes authorized by OMB. This includes removal of any capital projects authority in the current biennium. Use change type AF to remove the current biennium capital projects appropriation from the base. Make these entries in Column 1 and assign them to the project labeled “Remove Current Biennium Capital Assets.”
- Base budget changes from the current biennium in Column 2 using change types AA or AB.
- Optional budget changes in Column 3 using change types AC or AD.

Use the Change Package Description button to create as many change packages as are necessary to adequately identify the various changes.

Once the change packages are entered, click Insert, select the appropriate change package description, the land and buildings account code, and enter the expenditure amounts. Enter related funding source amounts ensuring that funding and expenditures are in balance for each change package.

**Use the Detail button to enter funding and expenditure amounts for projects that will take place during either of the two bienniums subsequent to the budget request biennium.** These amounts are entered for planning purposes to inform OMB and the legislative branch of upcoming capital needs.

**Tip** *All capital projects included in the budget request will be entered as a change package.*

## Extraordinary Repairs

The Office of Management and Budget uses formulas, applied to an inventory listing of [Buildings and Infrastructure](#) as a guide to determine the amount that should be spent to maintain assets. The Buildings and Infrastructure guidelines provide detailed information on both valuing and estimating repair costs for buildings and infrastructure.

The Extraordinary Repairs screen is used to enter major or extraordinary repair items. Extraordinary repairs are relatively large expenditures that benefit more than one operating cycle or period. If a repair will benefit several periods and/or extends the useful life of the asset, then the cost of the repair should be budgeted as an extraordinary repair within the capital assets line. Include all repairs to buildings and infrastructure involving dollar amounts in excess of \$5,000 that are non-recurring in nature, and increase the value or service life of the asset.

Individual items less than \$5,000 should not be included in extraordinary repairs but should be budgeted for and paid out of the operating line. Projects of the same nature with an individual value of \$5,000 or more can be aggregated and requested as one project.

Ordinary repairs are expenditures made to maintain plant assets in operating condition and are less than \$5,000. These repairs should not be budgeted as part of the capital assets line but rather should be budgeted under an account code within the operating line. Ordinary repairs are preventive maintenance, normal periodic repairs, replacement of parts, structural components, and other activities such as repainting, and equipment adjustments that are needed to maintain the asset so that it continues to provide normal services. Examples of ordinary repairs include:

- roof and/or flashing repairs
- window repairs and glass replacement
- painting
- masonry repairs
- floor repairs

## Extraordinary Repairs Screen

**Extraordinary Repairs Selection**

Extraordinary Repairs Selection    Extraordinary Repairs

Version 2007A0100709    Number    Priority

Description

Start date    End date

Is this a multiennium project?    (Yes/No)

If yes, indicate number of bienniums and total estimated project costs and provide narrative explanation.

No. of bienniums    Total estimated project costs

Is this a state facility energy improvement project (NDCC Section 54-44.5-08)?    (Yes/No)

If yes, what are the estimated biennial savings

If yes, has the project been submitted to the Div. of Community Services?    (Yes/No)

Update    Insert    Delete    Undo    Notepad    Funding/Exp.    Exit

### Navigation

Log On => Preparation => Budget Request Checklist => Extraordinary Repairs

### Purpose

The Extraordinary Repairs screen summarizes and prioritizes extraordinary repair projects. Amounts requested for the upcoming biennium are entered on the Funding/Exp. screen.

### Using the Screen

Enter the sequential number of the request and the priority number for this project, as ranked among all extraordinary repair items included in the budget request. To rank the repair in relation to other non-capital budget needs, use the priority field on the Budget Change Description.

Enter a short description or title.

Enter the anticipated starting and ending dates for the repair project. If the ending date extends beyond the close of the upcoming biennium, the project is considered a multi-biennium project. At this point, the total number of bienniums over which the project will be completed and the total estimated cost of the project must be entered.



The final section of the screen relates to the State Facility Energy Improvement Program. Answer the questions in this section, update, and then insert the budget data for this project by using the Funding/Exp. button.

If the agency had an extraordinary repairs appropriation in the current biennium, a project with the description “Remove Current Biennium Capital Assets” must be entered. Use the Funding/Exp. button, as explained below to enter a negative amount equal to the agency’s current biennium appropriation.

### **Funding and Expenditures**

Click the Funding/Exp. button to enter the requested amounts for each project. Select the appropriate reporting level, and then select the Change Package button.

Use the Change Package button to enter:

- Cost to Continue changes authorized by OMB. This includes removal of any extraordinary repair authority in the current biennium. Use change type AF to remove the current biennium extraordinary repairs appropriation from the agency’s base budget. Make these entries in Column 1 and assign them to the project labeled “Remove Current Biennium Capital Assets.”
- Base budget changes from the current biennium in Column 2 using change types AA or AB.
- Optional budget changes in Column 3 using change types AC or AD.

Use the Change Package Description button to create as many change packages as are necessary to adequately identify the various changes.

**Tip**     *All extraordinary repair projects included in the budget request must be entered as a change package.*

Once the change packages are entered, click Insert, select the appropriate change package description, the extraordinary repairs account code, and enter the expenditure amounts. Enter related funding source amounts ensuring that funding and expenditures are in balance for each change package.

## Other Capital Payments

The Other Capital Payments Screen is used to enter:

- Department of Transportation road and highway projects.
- State Water Commission water projects.
- Special assessments.
- Bond payments.
- In lieu of tax payments.

### Other Capital Payments Screen

**Other Capital Payments Selection**

Other Capital Payments Selection    Other Capital Payments

Version     Number     Priority

Description

Is this a:

Bond payment	<input type="text"/>	(Yes/No)	
Special assessment payment	<input type="text"/>	(Yes/No)	Total outstanding balance <input type="text"/>
Payment in lieu of taxes	<input type="text"/>	(Yes/No)	
Other	<input type="text"/>	(Yes/No)	

Other description

Update    Insert    Delete    Undo    Notepad    Funding/Exp.    Exit

### Navigation

Log On => Preparation => Budget Request Checklist => Other Capital Payments

### Purpose

The Other Capital Payments screen summarizes and prioritizes other capital payment items.

**Using the Screen**

Enter the sequential number of the request and priority number for this project, as ranked among all other capital payment items included in the budget request. To rank the item in relation to other non-capital budget needs, use the priority field on the Budget Change Description.

Enter a short description or title.

Indicate if the item is bond payments, special assessments, in lieu of tax payments, or other. If other, explain using the Other Description field.

If the agency had another capital payments appropriation in the current biennium, a project with the description “Remove Current Biennium Capital Assets” must be entered. Use the Funding/Exp. button, as explained below to enter a negative amount in the cost to continue column equal to the current biennium appropriation.

**Funding and Expenditures**

Click the Funding/Exp. button to enter the requested amounts for each item. Select the appropriate reporting level, and then select the Change Package button.

Use the Change Package button to enter:

- Cost to Continue changes authorized by OMB. This includes removal of any other capital payments authority in the current biennium. Use change type AF to remove the current biennium other capital payments appropriation from the base budget. Make these entries in Column 1 and assign them to the project labeled “Remove Current Biennium Capital Assets.”
- Base budget changes from the current biennium in Column 2 using change types AA or AB.
- Optional budget changes in Column 3 using change types AC or AD.

Use the Change Package Description button to create as many change packages as are necessary to adequately identify the various changes.

Once the change packages are complete, click Insert, select the appropriate change package description, the other capital payments account code, and enter the expenditure amounts. Enter related funding source amounts ensuring that funding and expenditures are in balance for each change package.

## Equipment Over \$5,000

### Equipment Over \$5,000 Screen

**Equipment Over \$5000 Selection**

Equipment Over \$5000 Selection    Equipment Over \$5000

Version: 2007A0100709    Number:    Priority:   

Description:   

Explanation:   

Is this proposed expenditure for the replacement of existing equipment?    (Yes/No)

Estimated useful life (years):   

Unit price:   

Number of units (base request):   

Total base request: \$0.00

Number of units (optional request):   

Total optional request: \$0.00

Total base and optional request: \$0.00

Update    Insert    Delete    Undo    Notepad    Funding/Exp.    Exit

### Navigation

Log On => Preparation => Budget Request Checklist => Equipment Over \$5,000

### Purpose

The Equipment Over \$5,000 screen is used to enter all non-IT equipment in excess of \$5,000. Individual items less than \$5,000 should be budgeted for and paid out of the operating line.

### Using the Screen

Click Insert and enter the sequential number for the request and priority number for this project, as ranked among all other Equipment Over \$5,000 items included in the budget request. To rank the item in relation to other non-capital budget needs, use the priority field on the Budget Change Description.

Enter a short description or title of the equipment. The Explanation field should include a description of the equipment and its purpose. Similar equipment with an individual value of \$5,000 or more can be aggregated and requested under one description. However, adequate detail needs to be provided so that the exact type and quantity of equipment can be determined. For example, 5 riding lawn mowers is fine, but lawn maintenance equipment is too general.

Indicate if the proposed purchase is to replace existing equipment.

Indicate the estimated useful life of the new equipment, if known. Enter the unit price and the number of units in the base and optional requests.

If the agency had an equipment over \$5,000 appropriation in the current biennium, a project with the description “Remove Current Biennium Capital Assets” must be entered. Use the Funding/Exp. button, as explained below to enter a negative amount in the cost to continue column equal to the current biennium appropriation.

### **Funding and Expenditures**

Click the Funding/Exp. button to enter the requested amounts for each item. Select the appropriate reporting level, and then select the Change Package button.

Use the Change Package button to enter:

- Cost to Continue changes authorized by OMB. This includes removal of any equipment over \$5,000 authority in the current biennium. Use change type AF to remove the current biennium equipment over \$5,000 appropriation from the base. Make these entries in Column 1 and assign them to the project labeled “Remove Current Biennium Capital Assets.”
- Base budget changes from the current biennium in Column 2 using change types AA or AB.
- Optional budget changes in Column 3 using change types AC or AD.

Use the Change Package Description button to create as many change packages as are necessary to adequately identify the various changes.

When all change packages are complete, click Insert, select the appropriate change package description, the Equipment Over \$5,000 account code, and enter the expenditure amounts. Enter related funding source amounts ensuring that funding and expenditures are in balance for each change package.

## IT Equipment and Software Over \$5,000

### IT Equipment and Software Over \$5,000 Screen

**IT Equip and Software Over \$5000 Selection**

IT Equip and Software Over \$5000 Selection    IT Equip and Software Over \$5000 Info

Version 2009A0400108    Number 1    Priority 1

Description

Explanation

Is this proposed expenditure for the replacement of existing equipment? ☐ (Yes/No)

Unit price \$0.00

Number of units (base request) 0

Total base request \$0.00

Number of units (optional request) 0

Total optional request \$0.00

Total base and optional request \$0.00

Indicate if this equipment is part of IT infrastructure or projects. If part of IT projects, indicate specific projects and amounts allocated to each.

Update    Insert    Delete    Undo    Notepad    Funding/Exp.    Exit

### Navigation

Log On => Preparation => Budget Request Checklist => IT Equip and Software Over \$5,000

### Purpose

This screen provides detail supporting the request for IT equipment and software in excess of \$5,000. Individual IT equipment and software items less than \$5,000 should be budgeted for and paid out of the operating line.

**Using the Screen**

Click Insert and enter the sequential number of the request and the priority number for this project, as ranked among all other IT equipment over \$5,000 items included in the budget request. To rank the item in relation to other non-capital budget needs, use the priority field on the Budget Change Description.

Enter a short description or title. The Explanation field should include a description of the item and its purpose. Similar equipment with an individual value of \$5,000 or more can be aggregated and requested under one description. However, adequate detail needs to be provided so that the exact type and quantity of equipment can be determined.

Indicate if the proposed IT equipment purchase is to replace existing equipment.

Indicate the estimated useful life of the equipment, if known. Enter the unit price and the number of units in the base and optional requests.

Use the field at the bottom of the screen to indicate if the equipment item is part of IT infrastructure or a particular project(s). If included in IT projects, indicate the specific projects and amounts allocated to each.

If the agency had an IT equipment over \$5,000 appropriation in the current biennium, a project with the description “Remove Current Biennium Capital Assets” must be entered. Use the Funding/Exp. button, as explained below to enter a negative amount in the cost to continue column equal to the current biennium appropriation.

**Funding and Expenditures**

Click the Funding/Exp. button to enter the requested amounts for each item. Select the appropriate reporting level, and then select the Change Package button.

Use the Change Package button to enter:

- Cost to Continue changes authorized by OMB. This includes removal of any IT equipment over \$5,000 authority in the current biennium. Use change type AF to remove the current biennium IT equipment over \$5,000 appropriation from the base. Make these entries in Column 1 and assign them to the project labeled “Remove Current Biennium Capital Assets.”
- Base budget changes from the current biennium in Column 2 using change types AA or AB.
- Optional budget changes in Column 3 using change types AC or AD.

Use the Change Package Description button to create as many change packages as are necessary to adequately identify the various changes.

When the change packages are complete, click Insert, select the appropriate change package description, the appropriate IT equipment and software over \$5,000 account code, and enter the expenditure amounts. Enter related funding source amounts ensuring that funding and expenditures are in balance for each change package.

## Grants Summary

### Grants Summary Screen

Grants Summary Selection

Grants Summary

Version 2007A0100709 Number

Description

Explanation

Transfer to another business unit (Yes/No)

If transfer to another business unit, identify business unit and amount:

Bus. Unit No.	Business Unit Name	Amount

Grant to a political subdivision (Yes/No)

Update Insert Delete Undo Notepad Funding/Exp. Exit

### Navigation

Log On => Preparation => Budget Request Checklist => Grants Summary

### Purpose

This screen provides an agency-wide summary of the grants line item.



**Using the Screen**

This screen provides information on grants an agency provides to other entities. Information regarding each grant must be entered for both the current and the budget request biennium.

Click Insert and enter the required information. The description for the grant program should include the name of the program. The explanation should include the purpose of the grant and, unless listed elsewhere, the entity to which the money will be granted.

Indicate if the grant is a transfer to another agency, or business unit, of state government. If so, indicate the business unit number, name, and amount.

Indicate if the grant is to a political subdivision of the state, such as a school district, county, or park board.

**Funding and Expenditures**

Click the Funding/Exp. button to enter the requested amounts for each item. Select the appropriate reporting level, and then select the Detail button. Enter the current biennium appropriation and related funding source information for each grant previously described on the Grants Info screen. Click the Change Package button.

Use the Change Package button to enter:

- Cost to Continue changes authorized by OMB. This is unusual for grants, but may be allowed in certain unique circumstances. Use change type AG to make any authorized cost to continue entries. Make these entries in Column 2.
- Base budget changes from the current biennium in Column 4. using change types AA or AB.
- Optional budget changes in Column 6 using change types AC or AD.

Use the Change Package Description button to create as many change packages as are necessary to adequately identify the various changes.

Once the change packages are complete, click Insert, select the appropriate change package description, the Grants account code, and enter the expenditure amounts. Enter related funding source amounts ensuring that funding and expenditures are in balance for each change package.